

15 February 2010

**PRESIDENT PETROLEUM COMPANY PLC**  
("President Petroleum" or "the Company")

**Trading Update**

President Petroleum (AIM : PPC), the oil and gas exploration and production company with producing assets in the USA and exploration licences in Australia, announces that it will release its preliminary results for the year ended 31 December 2009 in mid April 2010, and is issuing this trading update prior to entering the pre-results close period.

**Current Trading**

- Acquisition of 25% working interest in the East White Lake ("EWL") field in Louisiana, USA with effect from 1<sup>st</sup> January 2010, increases production and proved reserves
- Drilling of two well programme at EWL underway
- Negotiations for a drilling rig for PEL 82 in South Australia continuing
- Revised work programme for PEL 132 in South Australia agreed in principle with state authorities
- Net production in January 2010 of 1,505 barrels ("bbls") of oil and 17.7 mmcf of natural gas, equivalent to 144 bbls of oil equivalent per day ("boepd"). Total net production for 2009 of 20,020 bbls of oil/liquids and 513 mmcf of natural gas, equivalent to 289 boepd
- Strong end-year cash position, enhanced by cash hedging gains in 2009 of US\$2.1 million

**Operations – Louisiana, USA**

At EWL, drilling of the A-52 well has commenced. Once completed, the drilling rig will be moved to drill the A-41 sidetrack. The results from these wells are expected before the end of March 2010. Both wells are targeted at bringing proved undeveloped reserves, mainly oil, into production. Also at EWL, tubing in the currently shut-in A-29 well will be replaced and new perforations added during Q1 to bring the well back on-line.

**Operations – South Australia**

**PEL 82**

Negotiations to secure a drilling rig for the programme of up to three exploration wells are continuing. There is a shortage of suitable rigs in Australia at present and the Company is evaluating proposals for a rig to be brought in from further afield.

**PEL 132**

The Company has agreed in principle a revised work programme with Primary Industries and Resources of South Australia (PIRSA). PEL 132 contains the Delores prospect which requires considerable further evaluation, and prior to committing further resources to this prospect, the Company will evaluate additional acreage on the licence through an airborne gravity and magnetic survey over approximately 940 km. This survey is included in year 3, the current year, of the revised work programme.

## Acquisitions

The Company continues to actively pursue a range of acquisition opportunities, particularly those which could transform the scope, scale and prospects for the Company. Further attractive bolt-on deals are also being considered.

### **Stephen Gutteridge, Chairman, said:**

*“At the end of 2009 we completed a fundamental re-structuring of the Company which positioned us to grow to mid-cap status through acquisitions and the development of existing and new assets. Already this year we have enhanced our US production, reserves and cash-flow, and we expect to have drilled two development wells at the recently acquired EWL field before the end of Q1. We are looking forward to further progress in 2010.”*

### **For further information contact:**

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Ed Childers, the Company's Chief Operating Officer, and Dr Michael Cochran, the Company's Exploration Director, who meet the criteria of qualified persons under the AIM guidance note for mining and oil and gas companies, have reviewed and approved the technical information contained in this announcement.